

University of California, Hastings College of the Law UC Hastings Scholarship Repository

Initiatives

California Ballot Propositions and Initiatives

8-7-1922

Land Franchise Taxation

Follow this and additional works at: http://repository.uchastings.edu/ca_ballot_inits

Recommended Citation

Land Franchise Taxation California Initiative 1922-L-1 (1922).
http://repository.uchastings.edu/ca_ballot_inits/48

This Initiative is brought to you for free and open access by the California Ballot Propositions and Initiatives at UC Hastings Scholarship Repository. It has been accepted for inclusion in Initiatives by an authorized administrator of UC Hastings Scholarship Repository. For more information, please contact marcusc@uchastings.edu.

File: 1922-L-1

LAND FRANCHISE TAXATION

FILED

In the office of the Secretary of State
OF THE STATE OF CALIFORNIA

AUG - 7 1922

FRANK C. JORDAN
SECRETARY OF STATE

By *Frank C. Jordan*
notary

INITIATIVE MEASURE TO BE SUBMITTED DIRECTLY TO THE ELECTORS

Providing for the Annual Assessment and Taxation of the Full Rental Value of Land.

STATE OF CALIFORNIA } ss.
County of SAN FRANCISCO

TO THE HONORABLE SECRETARY OF STATE OF THE STATE OF CALIFORNIA: SAN FRANCISCO

We, the undersigned, registered qualified electors of the State of California, residents of County, present to the Secretary of State this petition, and request that a proposed amendment to the Constitution of the State of California, providing for Land Franchise Taxation, as hereinafter set forth, be submitted to the People of the State of California for their approval or rejection, at the next ensuing general election, or as provided by law.

The Attorney-General has summarized the proposed amendment as follows:

LAND FRANCHISE TAXATION. Initiative measure amending Article XIII of Constitution. Abolishes present system of taxation; declares private property rights attach only to products of labor and not to land; defines franchises as special privileges granted by government permitting use or monopoly of land; requires that such franchises be assessed annually at their full rental value independent of improvements, and prohibits all other taxes and license fees; prescribe procedure for such assessments, decreeing forfeiture of franchise for non-payment thereof; requires that money derived from such assessments be apportioned between state and its subdivisions, and that all governmental expenses be paid therefrom.

THE PEOPLE OF THE STATE OF CALIFORNIA
DO ENACT AS FOLLOWS:

The following shall be known as Article XIII, and shall be substituted for all of Article XIII of the Constitution of the State of California and shall take effect January 1st, 1924.

ARTICLE XIII.

SECTION 1. It is hereby proclaimed that private property rights attach only to products of labor and not to land; that the holding of land in private monopoly by virtue of a franchise or title deed is a special privilege; that the full rent of such privileges belongs to the people collectively; that paying such rent to the whole people is, in principle, not a tax, but a moral obligation for value received on the part of the holders of such privileges; and that to secure to all fully and equally their rights to life, liberty and the pursuit of happiness, it is the duty of the state to collect such rent in full and not violate the rights of private property by any tax on improvements, business, labor, or capital.

SEC. 2. Franchises are hereby defined to be special privileges granted by government permitting the use or monopoly of land. Titles to all special privileges to use land for any certain defined purpose are franchises.

SEC. 3. All franchises shall be assessed annually their full rental value.

SEC. 4. This rental assessment as made each year shall be paid in full each year by all franchise holders; in one payment or in installments as shall be provided by law: provided that where franchise rights to land are leased at a rental that is less than the assessment the difference shall be paid by the lessee, or forfeit lease; and, that that part of all contracts and leases requiring lessees to pay all taxes in addition to a certain fixed rental, is hereby declared null and void and against public policy; and no other tax or taxes whatsoever shall be levied, collected or paid, nor shall any fee or charge be made, collected or paid for any license or permit.

SEC. 5. This rental assessment shall exactly measure the advantage of the inequality of franchise rights and privileges, and is hereby defined to be an amount of money just sufficient to make the purchase price or selling price of the franchise,

independent of improvements on the land held thereby, approximate zero, or only enough to wholly prevent the capitalization of the franchise.

SEC. 6. This assessment, if not paid by the time and in the manner required by law shall work absolute forfeiture of the franchise, and if there are improvements upon land held by the franchise so forfeited, shall constitute a lien upon same for the amount, and said improvements, if salable and of more than nominal value, shall be sold at public sale to the highest bidder, who shall thereby acquire possession of the franchise rights.

SEC. 7. On each separate and distinct piece of land held under a title deed franchise there shall be maintained by the assessor in a conspicuous place, a notice, that can be easily read, stating the names of those who hold the franchise to the land, the area or dimensions and assessment for the current year; also, after an assessment is due, if not paid, an additional notice stating that the franchise is forfeited, and if there are salable improvements, of more than nominal value, upon the land, announcing the date and the place of public sale of same, the conditions and specifications for these notices—also penalties for neglect or interfering with same shall be fixed by law.

SEC. 8. A franchise to unimproved land that has been forfeited for the non-payment of the assessment, may be acquired by anyone who offers the highest rent by sealed bid, conditions of which are to be fixed by law. Unimproved land is that without salable improvements of more than nominal value.

SEC. 9. The money derived from this single tax shall be apportioned by law between the state and all the subdivisions of the state and out of such apportionments shall all the expenses of the Government be paid. Any surplus money or any other money that may be acquired shall be used to pay indebtedness or to make improvements, or distributed, or used for any purpose that the state or any subdivision thereof having such money shall by majority vote decide.

SEC. 10. The legislature shall pass all laws necessary to carry out the provisions of this article; and all laws and provisions of this Constitution in conflict with this article are hereby repealed.

NO.	NAME	ADDRESS (TO BE WRITTEN BY SIGNER)	CITY	DATE OF SIGNING, 1922	PRECINC
1					
2					
3					
4					
5					
6					
7					